

SOCIAL AND LABOUR PLAN

(2024 – 2028)

Vlakfontein Project



**Submitted as contemplated in Regulation 46 of the
Mineral and Petroleum Resources Development Act, 2002 (Act number 28 of 2008)
Social and Labour Plan Regulation 46 (a) to (f)**

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SLP GLOSSARY OF TERMS ANND ABBREVIATIONS

AET	Adult Education and Training
ATR	Annual Training Report
BBBEE	Broad Based Black Economic Empowerment
CCMA	Commission for Conciliation, Mediation and Arbitration
DMRE	Department of Mineral Resources & Energy
DoL	Department of Labour
DoE	Department of Education
DTI	Department of Trade and Industry
EE	Employment Equity
HDSA	Historically Disadvantaged South Africans
HRD	Human Resources Development
IDP	Integrated Development Plan
Glubay/the Company	Glubay Coal (Pty) Ltd
LED	Local Economic Development
LRA	Labour Relations Act 66 of 1995
MPRDA	Mineral and Petroleum Resources Development Act, no 28 of 2002
Mining Charter	Transformation Charter for the South African Mining Industry
MQA	Mining Qualifications Authority
SETA	Sector Education Training Authority
SDF	Skills Development Facilitator
SLP	Social and Labour Plan
SMME	Small Medium and Micro Enterprise
WSP	Workplace Skills Plan

Section 1

Introduction and Preamble

1 SECTION 1: REGULATION 46 (A) PREAMBLE AND BACKGROUND INFORMATION ON THE MINE PREAMBLE

Glubay Coal (Pty) Ltd (“Glubay”) a subsidiary company of Canyon Coal, South African has compiled the Social and Labour Plan, in accordance with a mining right application in terms of the Mineral and Petroleum Resources Development Act (Act 28 of 2002) (“MPRDA”), this outlines the prescribed plan of the social and labour programmes to be in place for the duration of a mining right.

Social and Labour Plan (SLP) outlines the mine plans and objectives in relation to Human Resources Development, Local Economic Development and the Management of Downscaling and Retrenchments. The objectives of the Mineral and Petroleum Resources Development Act, Act 28 of 2002 (“the MPRDA”) as entrenched in section 2(d), (f) and (i) of the MPRDA are inter alia to:

- ✓ Substantially and meaningfully expand opportunities for historically disadvantaged persons, including women, to enter the mineral and petroleum industries and to benefit from the exploitation of the nation's mineral and petroleum resources;
- ✓ Promote employment and advance the social and economic welfare of all South Africans; and
- ✓ Ensure that the holders of mining and production rights contribute towards the socio-economic development of the areas in which they are operating.

In terms of the provisions of the MPRDA, the mineral resources are the common heritage of all the people of South Africa hence the Minister of Mineral Resources (“the Minister”) must ensure the sustainable development of South Africa's resources whilst promoting economic and social development.

The economic and social development is illustrated in the Mining Charter in accordance with section 100 of the MPRDA. The Mining Charter sets out the framework, targets, and timetables for effecting the entry of historically disadvantaged South Africans (“the HDSA”) into the industry and allows South Africans to benefit from the exploitation of mining and mineral resources. The elements and objectives of the MPRDA and the Mining Charter are required to be addressed in the Social and Labour Plan (SLP) as required by Regulation 46 of the MPRDA.

1.1 LOCATION OF THE OPERATION

Portions 111, 114, 115, 118, 119, 125, 126, 144, 151, 152, 167, 173, 194, 195, 197, a portion of portion 198 & a portion of the remainder of portion 7 of the farm Vlakfontein 546 IQ. The mining area is located approximately 7km South of Meyerton and 10km North of Vereeniging in the Sedibeng District Municipality of the Gauteng Province.

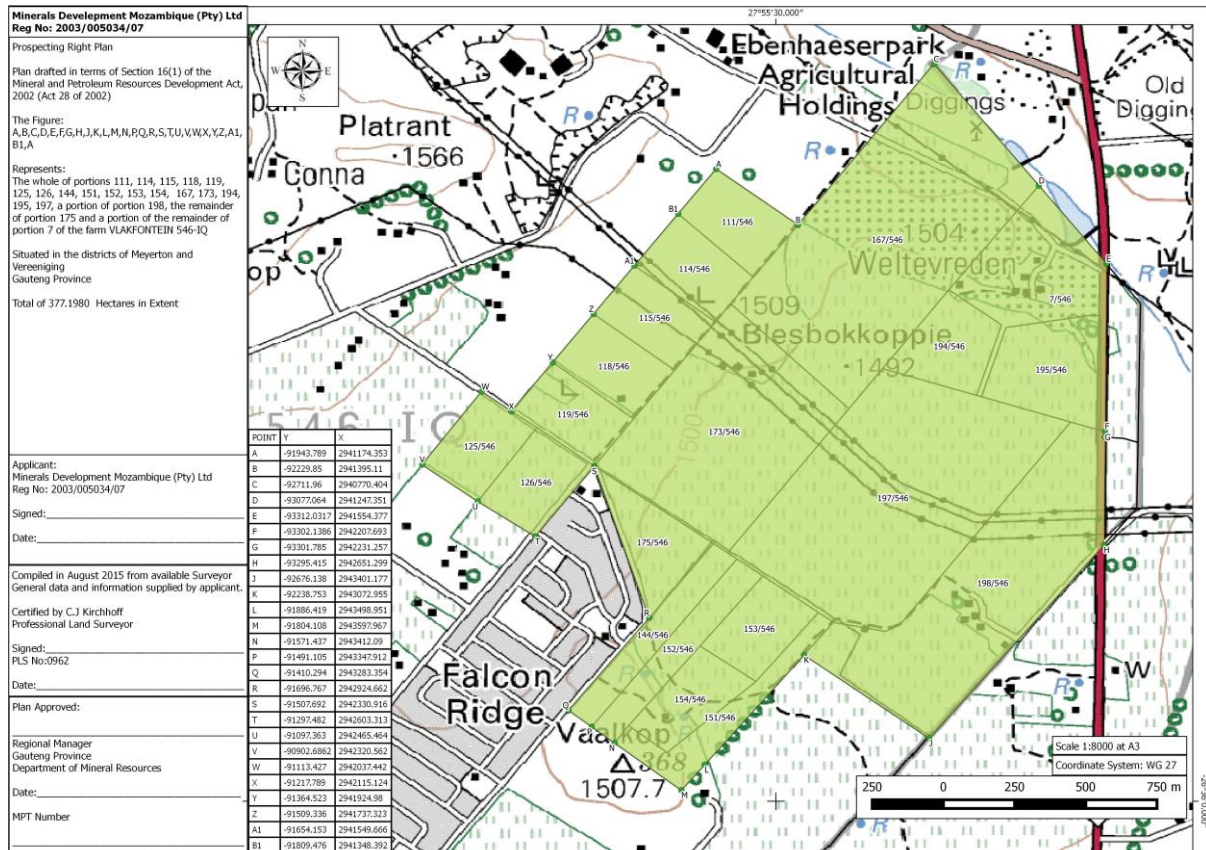


FIGURE 1: Locality map of Vlakfontein project

1.2 BACKGROUND INFORMATION

Name of the company	Glubay Coal (Pty) Ltd
NAME OF THE MINE	Vlakfontein Mining Project
PHYSICAL ADDRESS	13 Fredman Drive Fredman Towers, 7 th Floor Sandown 2196
POSTAL ADDRESS	PO Box 2632 Saxonwold 2132
TELEPHONE NUMBER	(011) 783 7996
FAX NUMBER	None
MINE ADDRESS	Portions 111, 114, 115, 118, 119, 125, 126, 144, 151, 152, 167, 173, 194,195, 197, a portion of portion 198 & a portion of the remainder of portion 7 of the farm Vlakfontein 546 IQ
LOCATION OF MINE	Near Meyerton & Vereeniging in the Gauteng province.
COMMODITY	Coal
LIFE OF MINE	Estimated 30 years
BREAKDOWN OF EMPLOYEES PER SENDING AREA	The labour sending area will be the communities directly surrounding the mine area in the Gauteng Province, Sedibeng District Municipality and Emfuleni and Midvaal Local Municipality
FINANCIAL YEAR	December every year
REPORTING YEAR	March every year
RESPONSIBLE PERSON	Xolile Mankayi

1.3 SIZE AND COMPOSITION OF WORKFORCE

The operation will employ a total number of 300 permanent employees, including the employees of the appointed contractors and ancillary service providers such as transport, cleaning, and security, depending on available and potential skills and subject to negotiation with the Authorities Union and Community Representatives:

- (a) A target of 50% would be drawn from the local municipal areas, as the direct sending region;
- (b) A target of 25% would be drawn from the Gauteng sending region; and
- (c) A target of 25% would be drawn from other sending regions in South Africa.

Reference is made to Table 1: Provisional labour sending areas, below.

TABLE 1: PROVISIONAL LABOUR SENDING AREAS

AREAS OF ORIGIN		ESTIMATED NUMBER
DISTRICT	LOCAL MUNICIPALITY	EMPLOYMENT OF EMPLOYEES AS A %
Sedibeng	Emfuleni	50%
Gauteng	Gauteng Province	25%
South Africa	Other Provinces	25%

TABLE 2: CERTIFICATES OF COMPETENCY REQUIRED PER POSITION AND THEIR SKILLS CATEGORIES

OWNERS MANAGEMENT TEAM	REQUIRED CERTIFICATES OF COMPETENCY	SUPERVISORY POSITION	SKILLS CATEGORY
Mine manager	Tertiary Education and Mine Managers Certificate of Competency – Coal	Management	Management and Technical
GCC Engineer	Tertiary Education and Electrical/Mechanical Certificate of Competency	Management	Management and Technical
Financial Manager	Tertiary Education	Management	Management and Technical

SHEQ Manager	Tertiary Education and Skills Training	Management	Management and Technical
Logistics Manager	Secondary and Skills Training	Management	Management and Technical
Mining Manager	Secondary and Skills Training	Management	Management and Technical
Safety Officer	Secondary and Skills Training	Supervisory and Control	Supervisory
Admin Staff	Secondary and Skills Training	Support function	Clerical
Weigh Bridge Clerk	Secondary and Skills Training	Support function	Clerical
Receptionist	Secondary and Skills Training	Support function	Clerical

The safety of employees is number one priority. To ensure that the goal of Zero Harm is reached, much of Vlakfontein focus will be placed on safety risk management training across the organisation.

More specifically to this application, detailed plans are in the process of being compiled for the above-mentioned activities and will constitute the proposed mining project Human Resources Development Programme.

Section 2

Human Resources Development Programme

2 SECTION 2: REGULATION 46 (B) HUMAN RESOURCES DEVELOPMENT PROGRAMMES

2.1 PREAMBLE

This section of the SLP is structured according to Regulation 46 (b) as outlined below Regulation 46(b):

SLP PARAGRAPH	REGULATION	CONTENT
2.1		Preamble
2.2	Regulation 46 (b) (i)	Human Resources Development Programmes
2.3	Regulation 46 (b) (ii)	A Career Progression Plan and its implementation in line with the Skill Development Plan.
2.4	Regulation 46 (b) (iii)	A Mentorship Plan and its implementation in line with the Skills Development Plan.
2.5	Regulation 46 (b) (iv)	A Bursary Plan and its implementation in line with the Skills Development Plan.
2.6	Regulation 46 (b) (v)	The Employment Equity statistics and the mine's plan to achieve the 10% woman's participation in mining and 40% Historically Disadvantaged South Africans (HDSA) participation in management.

Glubay commits to invest a 5% of annual payroll in skills development activities, excluding the mandatory skills levy, as set by the Mining Charter. Human resources development is clearly regarded as one of the cornerstones of the transformation that needs to be brought about by the Mining Charter.

The Mining Charter further commits all stakeholders to creating an enabling environment for the empowerment of HDSAs by providing a comprehensive skills development plan that addresses the HDSA mining skills deficits within the industry. To this effect Glubay commits to:

- Interface with the Mining Qualifications Authority (MQA) in the formulation of a comprehensive skills development plans;
- Comply to all the applicable and relevant training legislation;
- Establish and provide bursary, internship and learnership schemes;
- Provide skills training opportunities to employees during their employment to improve their earning capacity after mine closure;
- Provide access to training courses in mining-related skills;
- Offer every employee the opportunity of becoming functionally literate and numerate;
- Implement career paths to provide opportunities to HDSA employees to progress in their chosen careers; and developing systems through which HDSAs will be mentored.

2.2 REGULATION 46 (B) (I) SKILLS DEVELOPMENT PLAN

2.2.1 SKILLS DEVELOPMENT FACILITATOR AND PAYMENT OF SKILLS LEVIES

Glubay will appoint a Skills Development Facilitator and will become a levy paying entity once all enviro-legal licenses are obtained and the mine becomes operational.

Name of SETA	Mining Qualification Authority
Registration number with the relevant SETA and Skills Development Levy number	Will register during the planning phase and development phase
Has the company appointed a Skills Development Facilitator?	will be appointed once the mine is operational
To which institution have the company's WSP and ATR been submitted to?	Will be submitted to the MQA once the mine is operational.

2.2.2 REGULATION 46(B)(I) (AA): NUMBER AND EDUCATIONAL LEVEL OF EMPLOYEES

Form Q for Vlakfontein will be completed once the mine is operational and will be submitted to the DMRE.

			African		Coloured		Indian		White		Total	
Band	NQF	Highest Qualification Type	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
General Education & Training	Below NQF1	AET2/Std3/4, Grade 5/6	0	0	0	0	0	0	0	0	0	0
	Below NQF1	AET3/Std 5/6, Grade 7/8	0	0	0	0	0	0	0	0	0	0
	Level 1	AET4/Std 5/6, Grade 9	0	0	0	0	0	0	0	0	0	0
Further Education & Training	Level 2	Std 8/ Grade 10, Nated 1, NCV Level 1	0	0	0	0	0	0	0	0	0	0
	Level 3	Std 9/ Grade 11, Nated 2, NCV Level 2	0	0	0	0	0	0	0	0	0	0
	Level 4	Std 10/ Grade 12, Nated 3, NCV Level 3	0	0	0	0	0	0	0	0	0	0
Higher Education & Training (HET)	Level 6	Higher Certificate/Diploma/ Advance Certificate/Nated 4-6	0	0	0	0	0	0	0	0	0	0
	Level 7	Advance Diploma/B-Tech Degree/Bachelor's Degree (360 credits)	0	0	0	0	0	0	0	0	0	0
	Level 8	Bachelor Honours Degree/Postgraduate Diploma/Bachelor's Degree (480 credits)	0	0	0	0	0	0	0	0	0	0
Sub Total			0	0	0	0	0	0	0	0	0	0
Grand Total			0								0	

2.2.3 FUNCTIONAL LITERACY & NUMERACY

Glubay will continuously develop and implement appropriate skills training programmes as and when required by their workforce and in line with the company's business plan. In addition to other training, the company will also offer the following.

Functional literacy can be defined as the ability to read, write, and speak with understanding at a level that enables one to participate effectively in the community and the workplace. The objective of functional literacy and numeracy programmes at the mine is to make these skills available to all those employees who do not have the minimum entry level of Grade 12/N3 or equivalent in order to become employable within the operation and or the plant as per the project plan.

2.2.3.1 ADULT EDUCATION AND TRAINING (AET)

In an attempt to reach a functional and literate personnel, Glubay will introduce AET courses at Vlakfontein to develop the educational level of the workforce and the community through further learning. The programme primarily gives learners the opportunity to become functionally literate and numerate.

AET Level 1: Communication and Numeracy

AET Level 2: Communication and Numeracy

AET Level 3: Communication and Numeracy

AET Level 4: Communication and Mathematics

TABLE 3: BREAKDOWN IN NUMBERS FOR ADULT EDUCATION TRAINING

AET LEVEL	TARGETS AND TIMELINES					TOTAL BUDGET
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	
AET 1	5	0	0	0	0	10
AET 2	0	CONTINUATION	0	0	0	10
AET 3	0	0	CONTINUATION	0	0	10
AET 4	0	0	0	CONTINUATION	0	10
TOTAL NUMBER	5	5	5	5	0	10
BUDGET	R35 000	R35 000	R35 000	R35 000	R0	R140 000

2.2.4 SKILLS PROGRAMME

Glubay plans to develop and train the youth in host community towards recognised qualifications and skills programme, in an effort to improve their level of employability. MQA accredited training providers are used to facilitate MQA recognised qualifications and ensure quality.

The company is in the position of offer training on skills programmes such as Operator Mining Machinery, Mine Health and Safety Representative, Competent Person A and B, and Gas testing Certificate.

TABLE 4: BREAKDOWN IN NUMBERS FOR THE SKILLS TRAINING

AREA OF SKILLS TRAINING	TARGETS AND TIMELINES					TOTAL BUDGET
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	
SHE REP	0	2	0	0	1	R35 880
WELDING	5	0	0	5	0	R107 640
COMPETENT PERSON A/B	0	0	2	0	0	R35 880
TOTAL NUMBER	5	2	2	5	1	15
BUDGET	R35 880	R35 880	R35 880	R35 880	R35 880	R179 400

2.2.5 LEARNERSHIP PROGRAMME

Glubay’s learnership programmes are designed to provide entry level learning and development within the constraints of learnership contracts that culminate in a nationally recognized qualification specific to a job, usually on the lower levels. In addition, leadership programmes are designed to specifically develop leadership and supervisory skills.

The budget for externally sourced learners (unemployed youth) is guided by 5% of annual payroll in skills development activities, excluding the mandatory skills levy, as set by the Mining Charter. The programme costs include, recruitment and selection, institutional training (basic, advanced, final phase at Colliery Training College, accommodation, travel, stipend, and other personal requirements like the tools of trade toolbox and PPE are provided). The average duration of training for these learners is 18-30 Months.

Glubay plans to develop young individuals in host community towards core and critical disciplines of engineering, mining, and plant learnerships.

TABLE 5: EXTERNAL LEARNERSHIP 18.2

TYPE OF TRAINING	TARGETS AND TIMELINES									
	YEAR 1	YEAR 2		YEAR 3		YEAR 4		YEAR 5		TOTAL BUDGET
	New	New	Cont.	New	Cont.	New	Cont.	New	Cont.	
ENGINEERING	0	1	0	0	1	0	1	0	0	R 429 000
DIESEL MECH	1	0	1	0	1	1	0	0	1	R 715 000
TOTAL NUMBER	1	2		2		2		1		4
BUDGET	R143 000	R286 000		R286 000		R286 000		R143 000		R1 144 000

TABLE 6: INTERNAL LEARNERSHIP 18.1

TYPE OF TRAINING	TARGETS AND TIMELINES									
	YEAR 1	YEAR 2		YEAR 3		YEAR 4		YEAR 5		TOTAL BUDGET
	New	New	Cont.	New	Cont.	New	Cont.	New	Cont.	
MILLWIGHT	1	0	1	1	1	0	1	0	1	
TOTAL NUMBER	1	1		2		1		1		6
BUDGET	R94 120	R94 120		R94 120		R94 120		R94 120		R470 600

The Human Resource and MQA process will be followed in order to select suitably qualified individuals to enrol in the engineering and mining curriculum that leads to a formal qualification and forms part of the training programmes phase and on-job-training.

2.3 REGULATION 46(B)(I) (BB): HARD TO FILL VACANCIES

Skills shortages that prevail for periods longer than twelve months within the company are addressed at a divisional level. Glubay is unable to report on hard to fill vacancies until such time as it commences operations.

The company has identified most of its technical, regulatory, and professional services skills and competencies as scarce and therefore resulting in the following hard to fill vacancies represented in **FORM R** below.

OCCUPATIONAL LEVEL	JOB TITLE OF VACANCY	MAIN REASON FOR BEING UNABLE TO FILL THE VACANCY
Top Management	N/A	Glubay is unable to report on hard-to-Fill vacancies until such time the mine is fully operational.
Senior Management	N/A	
Professionally qualified and experienced specialists and mid-management	N/A	
Skilled, Technical, and academically qualified junior management	N/A	
	N/A	

2.4 REGULATION 46 (B) (II) CAREER PROGRESSION PLANNING

2.4.1 INTRODUCTION

Career paths exist for each discipline and apply to all employees within that particular discipline. In essence these career paths describe the hierarchical steps or job positions within the particular discipline together with the minimum requirements for each position. It should be noted however that the time it takes individuals to progress from one career path level to another is influenced by several factors (such as qualifications, experience, overall career plan for the individual etc.) and therefore cannot be generalized for the generic career paths.

2.4.2 IMPLEMENTATION PLAN FOR CAREER PATH PROGRAMME

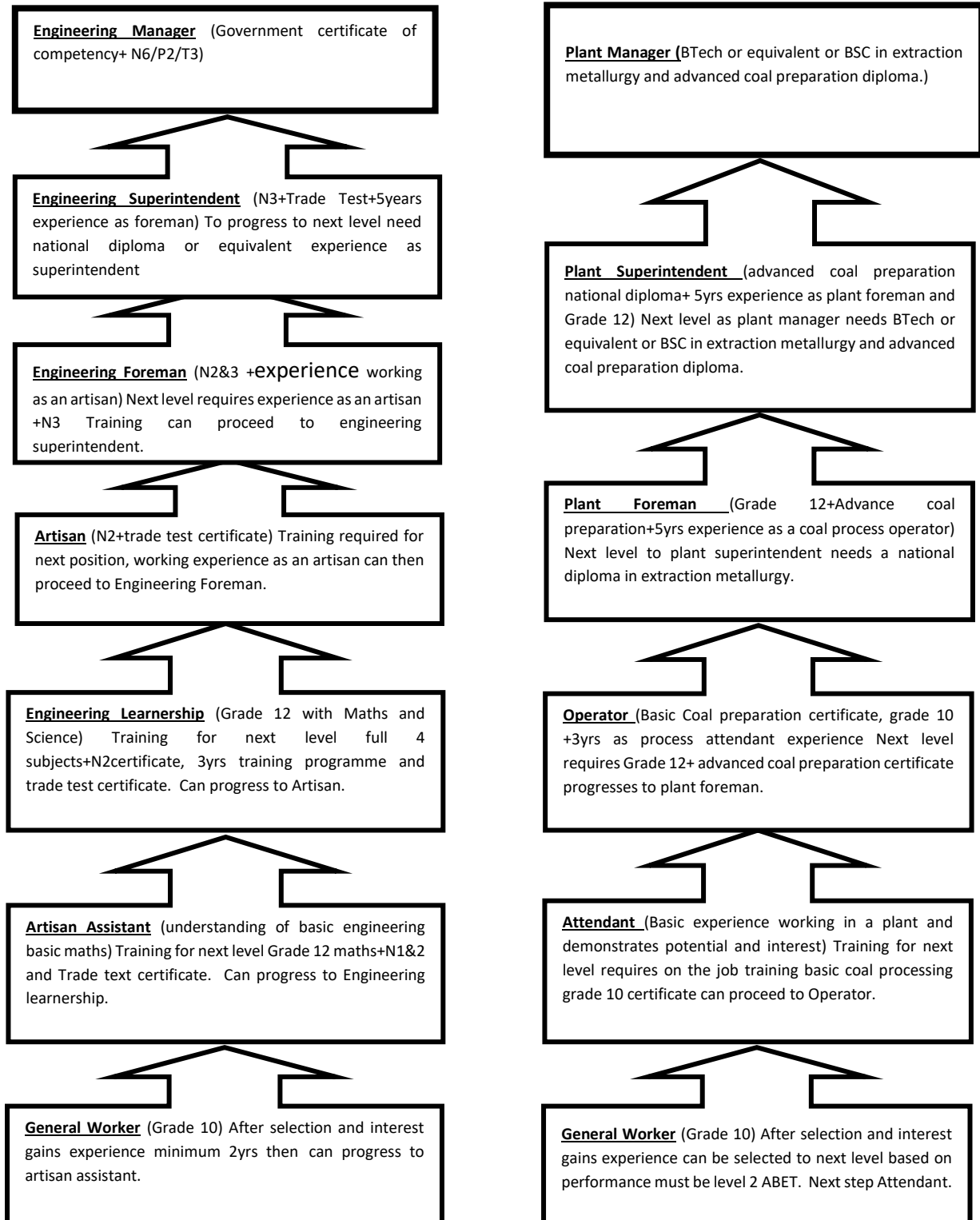
The company will ensure that employees from all occupational levels will have completed their career path interviews and have developmental plans that are renewed annually and will continue with the talent and succession management programmes (to incorporate employees, preferably HDSAs).

Below are the generic career paths guiding career progressions for Vlakfontein.

2.4.3 GENERIC CAREER PATHS AT VLAKFONTEIN OPERATIONS

Examples of generic career paths are outlined below for:

- Engineering / Coal processing; and
- Mining.



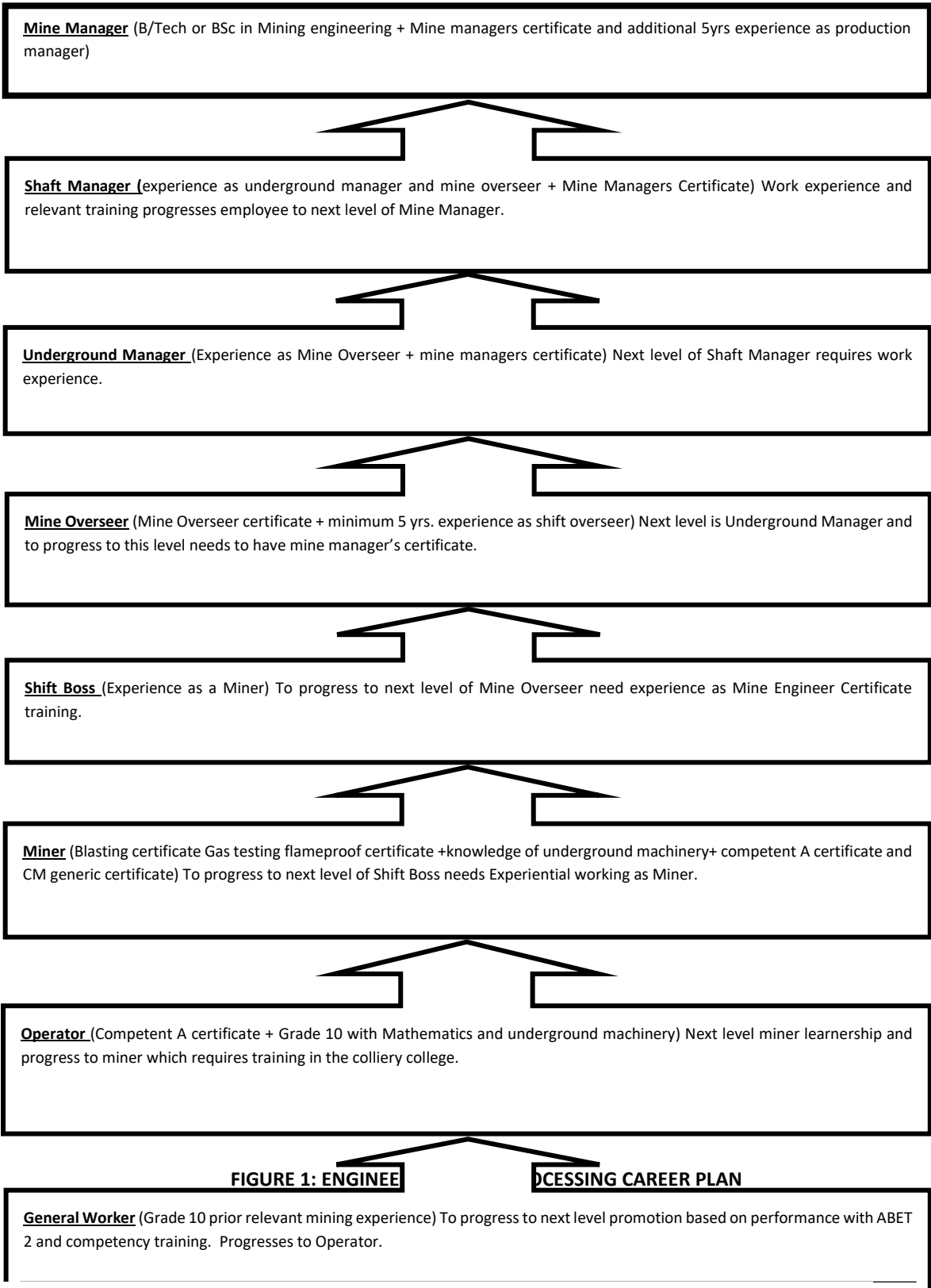


FIGURE 1: ENGINEERING AND PROCESSING CAREER PLAN

FIGURE 2: MINING CAREER PLAN

REGULATION 46 (b) (iii) Mentorship Plan

Mentorship is a component of career progression planning and relates to the Skills Development Plan in terms of the requirement for education and training requirements that may be identified through the mentoring process for career progression.

It can be defined as a mutual supportive learning relationship that meets a development need, helps to develop full potential, and benefits all partners i.e., the mentor, mentee, and the company. All employees will have a 'subject matter expert' line manager as an appointed mentor.

Mentoring will, however, not only be limited to the employees, but will also include local empowerment groups as well as local Black Economic Empowerment (BEE) companies through an affirmative procurement strategy. The purpose of this strategy will be to enhance real transformation of the mining industry supplier community.

TABLE 6: MENTORSHIP PLAN FOR VLAKFONTEIN

YEAR	STARTING LEVEL	DEVELOPMENT MECHANISM	TARGET LEVEL
1	Un-employable employee	External trainers: AET and life skills training, with a focus on Mine safety and health issues.	Employable employee
2	Defined Function Employee	Supervisors: Internal training courses and work experience and demonstration of aptitude	Candidate for formal training
3	Candidate	Supervisors and management: internal and external training courses and application of specialist knowledge	Specialist
4	Specialist	Specialist supervisors and management to share their experience and further display of competence, including the management of employees	Management position of sector
5	Manager	Specialist supervisors and management to share experience and skills of sector and interfacing with other managers productively	General Manager / Director
5+	Ongoing	Ongoing	Ongoing

2.5 REGULATION 46 (B) (IV) BURSARY AND INTERNSHIP PLAN

2.5.1 STRATEGY

The scarcity of relevant skills has been identified as one of the barriers to entry into the mining sector by historically disadvantaged South Africans (HDSA's).

Given the focus of the mine's core business and its associated skills requirements, Globe commits to offer bursaries and internships to mine communities and labour sending areas. Bursaries will be awarded to students for full time studies at selected South African Tertiary Institutes. The bursaries are open to all Grade 12 scholars as well as students who are already studying with the main bias to HDSA.

2.5.2 BURSARY PLAN

In terms of the bursary plan there will be two beneficiary groups:

Five (5) External beneficiaries which are from the local community.

Each year Vlakfontein will provide several bursaries to qualifying students enrolled for registered courses in various fields of study, either in universities or colleges. Students will be urged to register for a professional qualification required for the benefit of the company.

Bursaries will be offered in the following fields:

- BSc Electrical Engineering.
- BSc Mechanical Engineering.
- BSc Mining Engineering.
- BSc Mine Survey.
- BSc Geology.
- BSc Analytical Chemistry.
- Human Resources.
- Finance; and
- Environmental Management.

Approximately 100% of all bursaries will be awarded to historical disadvantaged individuals including women and the disabled within the communities within the project area and internal bursaries awarded to employees of Vlakfontein. Bursary packages will include registration and tuition fees, residence fees, textbooks and stipend. Bursars will be required to undertake vocational work and in-service training within the mine after graduation in order to be exposed to a comprehensive programme designed to prepare them for their first

substantive position. The training is dependent on the availability of such positions at the company.

Secondary, yet important, objectives of the scheme are to support:

- Vlakfontein employment equity objectives and targets; and
- The communities in which the colliery operates by placing emphasis on the bursar-recruiting and career-guidance activity in these areas.

Bursary applicants will be considered based on their Grade 12 pass rate, as well as the household income. These bursaries will be awarded to high-achieving matriculants who intend to study for a degree in the mining related field. The bursary scheme will come into effect after the first full year after the mining right has been granted to Glubay.

It is envisaged that the bursary holders will have completed their undergraduate studies by the end of the life of mine, as bursaries will be awarded for three- four consecutive years. This is however dependent of the academic performance. Internal bursars will require a previous qualification or high achieving matriculants. An additional four years will be used for the completion of postgraduate studies, if adequately motivated for by the bursary recipients, as well as for internship purposes. If the bursary holder fails his or her year of study, the benefits will be stopped after completion of their studies, the bursary holders will be offered internship / job opportunities at Glubay's operation, at other mining operations, or one of their subcontractors, should a position be available. The internship program will capacitate bursary holders with practical work experience.

TABLE 7: BURSARIES TO BE AWARDED BY VLAKFONTEIN

INTERNAL BURSARY FIELD	TARGETS AND TIMELINES										
	YEAR 1		YEAR 2		YEAR 3		YEAR 4		YEAR 5		TOTAL BUDGET
	NEW		NEW	CONT.	NEW	CONT.	NEW	CONT.	NEW	CONT.	
MINING ENGINEERING	1		0	1	0	1	0	1	0	0	R640 000
MECHANICAL ENGINEERING	1		0	1	0	1	0	1	0	0	R640 000
ENVIRONMENTAL SCIENCE	0		1	0	0	1	0	1	0	1	R640 000
TOTAL NUMBER	2		3		3		3		1		
BUDGET	R320 000		R640 000		R640 000		R640 000		R160 000		R2 560 000

EXTERNAL BURSARY FIELD	TARGETS AND TIMELINES										
	YEAR 1		YEAR 2		YEAR 3		YEAR 4		YEAR 5		TOTAL BUDGET
	NEW		NEW	CONT.	NEW	CONT.	NEW	CONT.	NEW	CONT.	

SAFETY MANAGEMENT	0	1	0	0	1	0	1	0	1	R640 000
TOTAL NUMBER	0	1	1	1	1	1	1	1	1	
BUDGET	R0	R160 000	R160 000	R160 000	R160 000	R160 000	R160 000	R160 000	R160 000	R640 000

2.5.3 INTERNSHIPS

Glubay offers internships in various disciplines to graduates with the focus on the development and training in technical disciplines. Internships may be offered in any of following disciplines:

- Mining (Graduates and Diplomats).
- Engineering and technical services (Graduates and Diplomats).
- Environmental management studies; and
- Geology.

The company will provide the funding for training and development to five (5) graduates. The Internship Programme provides a unique opportunity for graduates and young professionals to experience the realities and technicalities of the mining sector and to learn from people who are experienced and reputed in their field.

The programme provides participants with exposure to a wide range of working environments, activities and issues handled by our core business contractors and other experts within Glubay departments.

TABLE 8: INTERNSHIPS TO BE AWARDED BY VLAKFONTEIN

INTERNSHIP PLAN	TARGETS AND TIMELINES									TOTAL BUDGET
	YEAR 1	YEAR 2		YEAR 3		YEAR 4		YEAR 5		
	NEW	NEW	CONT.	NEW	CONT.	NEW	CONT.	NEW	CONT.	
MINING ENGINEERING	1	0	1	0	0	0	0	0	0	R310 000
MECHANICAL ENGINEERING	1	0	1	0	0	0	0	0	0	R310 000
METALLURGY	0	0	0	1	0	0	1	0	0	R310 000
MINE SURVEY	0	0	0	0	0	1	0	0	1	R155 000
TOTAL NUMBER	2	2	1	1	2	1	1	1	1	
BUDGET	R354 000	R354 000	R222 000	R222 000	R354 000	R222 000	R222 000	R222 000	R222 000	R1 056 000

2.6 HUMAN RESOURCE DEVELOPMENT FINANCIAL SUMMARY

A summary of the financial provision for the human resource development at Vlakfontein follows.

TABLE 9: FINANCIAL PROVISION FOR HUMAN RESOURCES DEVELOPMENT

PROGRAMME	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
BURSARIES	R320 000	R640 000	R640 000	R640 000	R320 000	R2 560 000
18.2 LEARNERSHIPS	R143 000	R286 000	R286 000	R286 000	R143 000	R1 144 000
18.1 LEARNERSHIPS	R94 120	R94 120	R94 120	R94 120	R94 120	R470 600
INTERNSHIPS	R354 000	R354 000	R222 000	R354 000	R222 000	R1 506 000
AET	R35 000	R35 000	R35 000	R35 000	R0	R140 000
SKILLS PROGRAMME	R35 880	R35 880	R35 880	R35 880	R35 880	R179 400
TOTAL	R982 000	R1 445 000	R1 313 000	R1 445 000	R815 000	R6 000 000.00

2.7 REGULATION 46 (B) (V) EMPLOYMENT EQUITY

Workplace diversity and equitable representation at all levels are catalysts for social cohesion, transformation, and competitiveness of the mining industry. To create a conducive environment to ensure diversity as well as participation of HDSA at all decision-making positions and core occupational categories in the mining industry, every mining company must achieve a minimum of 40% HDSA demographic representation at:

- ✓ Executive Management (Board) level by 2027
- ✓ Senior management (EXCO) level by 2027
- ✓ Core and Critical skills by 2027
- ✓ Middle management level by 2027
- ✓ Junior management level by 2027

Glubay commits to continually identify and fast-track their existing talent pools to ensure high level operational exposure. Added to this commitment is the special focus on gender mainstreaming initiatives that seeks to increase women participation in core mining business activities. Therefore, it's committed to non-discrimination employment practices and supports the principles of local employment, development, and advancement of HDSA's. This plan is applicable to all employees who are South African citizens or permanent residents.

Glubay aims to achieve and maintain equitable representation of designated groups in all levels in the workplace whilst supporting an organizational culture of diversity, equity, and fairness by the year 2027. In keeping with its policy of fair and equitable employment practices, Glubay is committed to full compliance with the spirit and requirements of the MPRDA (Act 28 of 2002) and Employment Equity Act, (Act 55 of 1998)

The operation’s EE Plan will be endorsed and driven by top management and organized labour leadership since it is considered essential for all employees to be involved, committed and dedicated to this process.

The employment equity targets will be determined once the mine is operation. The targets will form part of the table below.

TABLE 10: EMPLOYMENT EQUITY TARGETS (TO BE COMPLETED ON ISSUING OF MINING RIGHT)

OCCUPATIONAL LEVELS	MALE				FEMALE				TOTAL	DISABLED	
	AFRICAN	COLOURED	INDIAN	WHITE	AFRICAN	COLOURED	INDIAN	WHITE			
TOP MANAGEMENT (BOARD)											
SENIOR MANAGEMENT (EXCO)											
MIDDLE MANAGEMENT											
JUNIOR MANAGEMENT											
CORE AND CRITICAL SKILLS											

2.7.1 REPORTING OF THE EMPLOYMENT EQUITY PLAN

The company will comply with the provisions of the Employment Equity Act (Act No. 55 of 1998) and will submit an annual report to the Director General as required by Section 21 of the Act.

The proposed projects Employment Equity Plan will be published on an annual basis, and progress on commitments being met will be reported to the DMR and the Department of Labour. Employees will, through internal communication, be informed as to the provision and progress of the Mine’s Employment Equity Plan. A copy of the Employment Equity Plan will also be made available to employees.

The employment equity target is addressed as per the Mining Charter, using Individual Development Plans as the basis for succession planning. The employment policy is designed

to achieve the required equity balance, and therefore employment will be offered within the bounds of the equity target.

2.7.2 PARTICIPATION OF HISTORICALLY DISADVANTAGED SOUTH AFRICANS

Glubay will commit to ensuring that at least 40% of its management personnel are HDSAs within five years after the mine has commenced operations. As this is a new mine structure, the participation of HDSAs will commence from the beginning and the recruitment will aim at securing the correct percentages as a matter of urgency.

The company acknowledges the need for redressing access of HDSAs to the extractive (minerals and mining) industry, especially at highly skilled and managerial levels. The required quota will be met through the implementation of the Employment Equity Plan, as well as annual monitoring and reporting to the DMRE. The mine will implement the following specific measures to encourage the participation of HDSAs on a managerial level:

- The employment policy designed to recruit and employ staff within the framework of the equity targets; and
- If skills cannot be acquired within the equity targets these will be viewed as hard to fill vacancies and addressed accordingly.

TABLE 11: EVOLUTION OF HDSA IN MANAGEMENT FOR THE PROPOSED PROJECT AND TARGETS

OCCUPATIONAL LEVELS	COMPLIANCE TARGET	TARGET				
		YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
TOP MANAGEMENT	HDSA 40%	20%	25%	30%	35%	40%
	WOMEN 10%	2%	3%	8%	8%	10%
SENIOR MANAGEMENT	HDSA 40%	20%	25%	30%	35%	40%
	WOMEN 10%	2%	4%	6%	8%	10%
MIDDLE MANAGEMENT	HDSA 40%	30%	35%	40%	40%	40%

	WOMEN 10%	4%	6%	6%	6%	10%
JUNIOR MANAGEMENT	HDSA 40%	40%	40%	40%	40%	40%
	WOMEN 10%	6%	8%	10%	10%	10%
CORE AND CRITICAL SKILLS	HDSA 40%	15%	20%	30%	35%	40%
	WOMEN 10%	10%	10%	10%	10%	10%

2.7.3 PARTICIPATION OF WOMEN

Glubay aims to offer women an equal opportunity to participate in its operations at all levels of responsibility. The 10% labour quota for women will be met through the implementation of the Employment Equity Plan, as well as annual monitoring and reporting to the DMRE.

The employment policy initiative as described above will thus be introduced at Vlakfontein to help meet the required level of equity balance and specifically, the targets for participation by women. Women will be targeted during the recruitment phase and thereby Vlakfontein intends to meet the targets within the 5-year period.

Section 3

Local Economic Development

3 SECTION 3: REGULATION 46 (c) LOCAL ECONOMIC DEVELOPMENT PROGRAMMES

3.1 PREAMBLE

“LED is an approach to sustainable economic development that encourages residents of local communities to work together to stimulate local economic activity that will result in an improvement in the quality of life for all in the local community and minimizing or optimizing the improvement in the quality of life of people in terms of the Human Development Index.

Glubay is committed to the development of communities that are directly and indirectly affected by its operations. Projects supported by Glubay aim to contribute towards:

- a) sustainable socio-economic development in communities where its workers and their families live; and
- b) the eradication of poverty and community upliftment in the area within which Vlakfontein conducts mining operations and in areas where most employees are sourced.

These projects are identified in consultation with local authorities and in the context of Integrated Development Plans. Funding for LED is obtained from Glubay. All efforts in this regard have been aligned with the National Development Plan and the Millennium Development Goals in relation to

- a) Education,
- b) Skills and Employment and Employability towards hunger eradication,
- c) Housing, Water, Sanitation, Electricity, and
- d) Clean and Sustainable Environment.

3.2 REGULATION 46 (c) (I) SOCIAL AND ECONOMIC BACKGROUND INFORMATION

Emfuleni Local Municipality	
Gender Profile	Female 50.8%, Male 49.2%
Population Profile	<p>Census 2011 reported that the Emfuleni Local Municipality has a total population of 733 445 people, of which 85,4% are black African, 12% are white, 1,2% are coloured, and 1,0% are Indian/Asian.</p> <p>This showed a population growth of 0.92% from 2001- 2011.</p>
Economic Profile	The main economic sectors are: Manufacturing (40.8%), community services (22.3%), finance (16%), trade (7.4%), transport (4.4%), construction (3.5%), electricity (3.3%).
	Of those 20 years and older, 3,6 % completed primary school, 36,7% have some secondary education, 32,4% completed matric, and 12,9% have some form of higher education. The percentage with no form of schooling is 4,0%.
Employment Profile	<p>Of the population, 202 543 people are economically active (employed or unemployed but looking for work) and, of these, 34,7% are unemployed. Of the 85 594 economically active youth (15–35 years) in the area, 45% are unemployed.</p> <p>Employment of those aged 15-64 as per Stats SA Census 2011:</p> <ul style="list-style-type: none"> • Employed – 202 542; • Unemployed – 107 554; • Discouraged work seeker – 20 145; and • Not economically active – 171 542.
Income Profile	<p>According to the 2011 census for the local municipality:</p> <ul style="list-style-type: none"> • 17.7% of the population does not have an income; • 4.9% earn between R 1 – R4 800; • 7.0% earn between R4 801 – R9 600; • 15.4% earn between R9 601 – R19 600; • 17.4% earn between R19 601 – R38 200; • 13.5% earn between R38 201– R76 400; • 10.5% earn between R76 401– R153 800; • 7.6% earn between R153 801 – R307 600; • 4.2% earn between R307 601 – R614 400; • 1.1% earn between R614 401 – R1 228 800; • 0.3%earn between R1 228 801 – R2 457 600 • 0.2% earn R2 457 601 or more.

Infrastructure	<p>There are 220 135 households in the municipality, with an average household size of 3,1 persons per household.</p> <p>Census 2011 figures show that 69,9% have access to piped water and 24,3% have water in their yard. Only 0,6% of households do not have access to piped water.</p> <p>92.2% of households have access to electricity for lighting.</p>
Housing	<p>28.4% of the population in Emfuleni Local Municipality reside in rented properties, 36% own and have fully paid for their dwellings. 12.9% own but have not yet fully paid for their dwellings, whilst 20.2% occupy rent free accommodation.</p>
Water and Sanitation	<p>96.3% of water used in municipality is sourced from the regional/local water scheme operated by the municipality or other water services provider. 1.7% of water is sourced from boreholes and the remainder of water sources include 0.2% from rainwater tanks, 0.3% water vendors, 0.2% water tanks and 1.1% is sourced from other sources.</p> <p>1% of the population in the municipality have no access to sanitation facilities and or services. 88.2% of the population is connected to sewerage system (flush toilets), whilst the other 2% of flush toilet users have septic tanks. 0.8% of this population uses pit toilets with ventilation and the other 6.2% use pit toilets without ventilation. 0.3% use chemical toilets, 0.9% uses bucket toilets, whilst the remaining 0.7% use other means of sanitation.</p>
Energy source for lighting	<p>The energy source of the municipality is as follows:</p> <ul style="list-style-type: none"> • Electricity: 92.2% • Gas: 0.2% • Paraffin: 1.3% • Solar: 0.2% • Candles: 6% • None: 0.2%
Other (Specify) Basic service delivery	<p>The following basic service delivery exists within the municipality:</p> <ul style="list-style-type: none"> • Poor maintenance of services infrastructure; • Insufficient land for integrated human settlements; • Persistent sewer blockages and spillages; • Illegal connections of electricity; and • Poor roads and stormwater drainage system.

3.3 REGULATION 46 (c) (ii) KEY ECONOMIC ACTIVITIES

The key economic activities are; Manufacturing, General Government, Business Services and Trade sectors. Of these, only the Manufacturing sector forms part of the Secondary sector, where the others all form part of the Tertiary sector. Glubay commits to participate in the integrated development programme (IDP).

Meetings will be on-going to finalise the details of projects that complement the IDP. Glubay will collaborate with the Local Economic Development Forum to ensure that this Social and Labour Plan can be integrated with the local development initiatives

3.4 REGULATION 46 (c) (iii) INFRASTRUCTURE AND POVERTY ERADICATION PROJECTS

In this SLP, Glubay proposes two major community development projects for discussion and endorsement with the Emfuleni Local Municipality.

3.5 REGULATION 46 (c) (iv) MEASURES TO ADDRESS HOUSING AND LIVING CONDITIONS OF MINE EMPLOYEES

Glubay will not have any hostels and company accommodation. The company will pay housing allowances to all employees. The mine will further commit to the following:

- Create awareness and educate employees on home ownership;
- Improving access to adequate transportation amenities in order to improve the employees' accessibility to their families;
- Collaborating with surrounding landowners and mining houses to prevent and control informal settlement on mine owned properties; and
- Facilitating the migration of employees living in informal shacks to formal housing units

3.6 REGULATION 46 (c) (v) MEASURES TO ADDRESS NUTRITION OF MINE EMPLOYEES

Glubay commits to educate and create awareness for its employees on healthy eating and healthy lifestyle. One of the key employment strategies at the Mine is the creation of a safe and healthy working environment. The emphasis on a healthy lifestyle after work hours will be supported by the following initiatives to be undertaken by the Mine:

- Create awareness among employees and employees' dependants as to the use of primary health care facilities established by local government in the area;
- Promote home-based care to employees who have to cease employment because of medical reasons;
- Include an education program on nutrition in induction programs at the Mine.
- Through mine clinic and its various health surveillance and chronic management programmes.

3.7 REGULATION 46 (c) (vi) PROCUREMENT PROGRESSION PLAN

Surrounding communities will be provided with a preferred supply status in all three levels of procurement (capital goods, services, and consumables). Procurement will be used by Vlakfontein, as one of the primary mechanisms to affect Local Economic Development in the communities affected by its operations.

Glubay has recognized that to effectively participate in the transformation of the South African economy, it must institute preferential procurement within its purchasing operations and across its entire supplier base.

3.7.1 STRATEGIC PLAN

The Mine recognises the fact that several HDP, women and youth, and BEE providers would like to supply goods and services to the Mine. The objective of Vlakfontein preferential procurement policy is to maximize opportunities for HDSAs to supply goods and services to the mine.

The Mine will therefore identify SMME's that requires to be capacitated in the area as one of the LED (ESD) projects, With this project the Mine aims to:

- To contribute to the development of sustainable HDSA business enterprises
- To promote practices whereby an increasing proportion of contracts, concessions, etc., are awarded to HDSA enterprises.
- To create awareness, understanding and support of economic empowerment objectives amongst key stakeholders

According to the Mining Charter local procurement is attributable to competitiveness and transformation, captures economic value, presents opportunities to expand economic growth that allows for creation of decent jobs and widens scope for market access of South African goods and services.

3.8 LOCAL ECONOMIC DEVELOPMENT PROJECT

Glubay is currently in consultation with Emfuleni local municipality for the endorsement of community development project. The total budget for the projects is **R1 700 000**. Please refer to Table 13 & 14 for the project implementation plan.

Please refer to Annexure A for the endorsement letter, Annexure B proof of consultation and Annexure C for Project specification and sustainability plan.

PROJECT NAME	Vaal Recycling Project		CLASSIFICATION OF PROJECT: infrastructure development			
Background	The project is aimed at promoting responsible use and conservation of finite resources for economic development, Job creation and entrepreneurship, while minimizing the impact on the environment. Moreover, the project offers an opportunity to tackle issues such as poverty, weak infrastructure and unemployment which have hindered economic development in Emfuleni Local Municipality.					
Geographic location of the project	District Municipality Sedibeng District Municipality	Local Municipality Emfuleni Local Municipality		Project start date 2024	Project end date 2028	
Output:	Key Performance Area	Key Performance indicator	Responsible entity (inclusive of all role players) Glubay (Vlakfontein Colliery)	Quarterly timelines and year To be scheduled once approved.	Quarterly timelines and year To be scheduled once approved.	Budget R 1 700 000
No of jobs to be created	Classification of jobs	Male adults	Female adults	Male Adults	Female Adults	Comments
Short term	TBC	TBC	TBC	TBC	TBC	
Medium term	TBC	TBC	TBC	TBC	TBC	
Long term	TBC	TBC	TBC	TBC	TBC	
Completion date and exit strategy:						

TABLE 12: LED PROJECT IMPLEMENTATION PLAN

Section 4

Downscaling and Retrenchment

4 SECTION 4: REGULATION 46 (D) PROCESS PERTAINING TO THE MANAGEMENT OF DOWNSCALING AND RETRENCHMENT

Glubay commits to comply with all legislative requirements with regards to the implementation of retrenchments and will implement the following:

- Timeous consultations with all the relevant stakeholders that will be affected by the process.
- Timeously notify the DMR of the potential retrenchment process.
- Active ongoing engagement in the Future Forum of the retrenchment process and development thereof;
- Disclose to all relevant parties all the relevant information and allow all parties to make representations on matters being consulted on; and
- Informing employees timeously of the possible retrenchments.

Glubay will establish a future forum whose objectives include but are not limited to:

- Promote ongoing discussions between worker representatives and employers about the future of the mine;
- Look ahead to identify problems, challenges and possible solutions with regard to productivity and employment;
- Develop turnaround and redeployment strategies to help reduce job losses and to improve business sustainability; and
- Implement strategies agreed upon by both employer and worker parties.

The mine does not foresee retrenchments in the period of this SLP, however it will engage relevant stakeholders party to the Future Forum should a need arise to manage such eventuality. Mechanisms to ameliorate the social and economic impact on individuals, regions, and economies where retrenchment or closure of the operation is certain will be discussed on an ongoing basis in the Future Forum and will also be factored in on LED programmes.

Glubay will facilitate and include core business contractors in a collective agreement that addresses and complies with the following regulations as per the MPRDA and relevant prescripts:

- Regulation 46(d)(i) : Establishment of a Future Forum
- Regulation 46(d)(ii) : Mechanisms to avoid job losses and a decline in employment.
- Regulation 46(d)(iii) : Mechanisms to ameliorate the social and economic impact.

To ameliorate the social and economic impact on individuals the mine will take the following measures:

- Redeployment to other operations, if possible
- If there are any employees with study loans, these will be cancelled and waive the rights to any recovery.
- Payout all monies due to the employee including the severance packages, outstanding leave days, payments from the provident fund.
- During the operation Portable Skills Training will be provided for to prepare the employees for the downscaling and retrenchments.

TABLE 13: SHOWING POSSIBLE PORTABLE SKILLS TRAINING INTAKES FOR SLP PERIOD

Training Programmes	Year 1	Year 2	Year 3	Year 4	Year 5	Total Budget Allocation
Welding	2	2	2	2	2	R50 000
Electrical	2	2	2	2	2	R50 000
Computers	2	2	2	2	2	R50 000
Child Care	2	2	2	2	2	R50 000
Farming	2	2	2	2	2	R50 000
Total Numbers	10	10	10	10	10	50
Budget	R50 000	R100 000	R100 000	R100 000	R100 000	R250 000

Section 5

Financial Provision

5 SECTION 5: REGULATION 46(E) (I), (II) AND (III): TO PROVIDE FINANCIALLY FOR THE IMPLEMENTATION OF THE SOCIAL AND LABOUR PLAN

In terms of Section 23(1) (e) “The Minister must grant a mining right if the applicant has provided financially and otherwise for the prescribed SLP”. This section intends to outline the way Vlakfontein aims to provide financially for each component of the SLP during the life of the mine. However, it should be noted that these assumptions are based on current business plans, the associated market and economic conditions surrounding the mining operations to be undertaken.

Vlakfontein undertakes, through its annual budget, to make provision for the implementation of the following:

- Human Resources Development Programme. It is proposed that 5% of the payroll will be provided for the implementation for the Human Resources Development Programme.
- Implementation of the Local Economic Development Programme. The cost to be incurred will be provided for as the need arises.
- Possible retrenchment in its annual budget, based on the severance requirements of the Labour Relations Act, or in terms of severance packages as agreed in Retrenchment agreements with organised labour.

TABLE 14: FINANCIAL COMMITMENT TABLE IN LINE WITH SECTION 23 (1) (E) AND 84 (1) (G)

SOCIAL RESPONSIBILITY ACTIVITY	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
HUMAN RESOURCE DEVELOPMENT	R1 300 000	R1 300 000	R1 300 000	R1 300 000	R1 300 000	R6 000 000.00
LOCAL ECONOMIC DEVELOPMENT PROJECTS	R0	R0	R680 000	R680 000	R340 000	R1 700 000.00
RETRENCHMENT & DOWNSCALING PROVISION	R100 000	R100 000	R100 000	R100 000	R100 000	R500 000.00
TOTALS						R8 200 000.00

The costs for retrenchment and downscaling for each employee below and above the management provisions in Table 16 per clause four (4) will be calculated using the following as per Basic Conditions Employment Act:

- 1 day to 6 months employed, 1-week notice;
- months to 12 months, 2 weeks’ notice;

- 12 months upward, 4 weeks' notice; and
- One-week salary for each completed year of service as minimum severance.

Section 6

Undertaking

6 REGULATION 46(F). AN UNDERTAKING BY THE HOLDER OF THE MINING RIGHT TO ENSURE COMPLIANCE WITH THE SOCIAL AND LABOUR PLAN AND TO MAKE IT KNOWN TO ITS EMPLOYEES.

I, **Xolile Mankayi** the undersigned and duly authorized thereto by **Glubay (Pty) Ltd** undertake to adhere to the information, requirements, commitments, and conditions as set out in the Social and Labour Plan.

Signed at _____ on this ____ day _____ 20____

Signature of responsible person: _____

Designation: _____

Approved by the DMRE official:

Signed at _____ on this ____ day of _____ 20____

Signature: _____

Designation: _____